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Attorney for the Commission Staff

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF TALK AMERICA)	
SERVICES, LLC'S APPLICATION FOR A)	CASE NO. TAL-T-14-01
CERTIFICATE OF PUBLIC CONVENIENCE)	
AND NECESSITY TO PROVIDE RESOLD)	COMMENTS OF THE
LOCAL EXCHANGE AND INTEREXCHANGE)	COMMISSION STAFF
SERVICES.)	
)	

COMES NOW the Staff of the Idaho Public Utilities Commission, by and through its Attorney of record, Daphne Huang, Deputy Attorney General, and in response to the Notice of Application and Notice of Modified Procedure issued in Order No. 33268, submits the following comments.

BACKGROUND

On September 19, 2014, Talk America Services, LLC (Talk America) applied to the Commission for a Certificate of Public Convenience and Necessity (CPCN) authorizing it to provide resold local exchange and interexchange telecommunications services in Idaho. On April 8, 2014, the Commission issued Order No. 33268 seeking public input on the Application and ordered that the case be processed under the Commission's Rules of Modified Procedure.

Talk America is a Delaware limited liability company, authorized to do business in Idaho. Its principal place of business is in Little Rock, Arkansas. Talk America is a subsidiary

of Communications Sales & Leasing, Inc. (CSL), a Maryland corporation, which is also Talk America's sole member.

STAFF REVIEW

Talk America plans to "provide resold local exchange, resold interexchange and broadband telecommunications services to residential customers" currently subscribed to Windstream Holdings, Inc.

Talk America's Application is part of or related to a corporate transaction involving Windstream and CSL. During Staff's review, the Company filed three supplemental corporate transactions. Staff contacted Windstream concerning all the changes with the transactions, and in response, Staff received a flow chart of the reorganization as well as a detailed response explaining that Talk America Services, LLC intends to exclusively provide services to residential customers of the Windstream operating companies in Idaho and other states. Windstream operating subsidiaries will continue to provide telecommunications services to business and other non-residential customers.

Windstream will divide into an operating unit (providing telecommunications and related services), and a real estate investment trust (holding title to distribution plant assets). The investment trust's assets, which include copper, fiber, and real estate assets, will be transferred to CSL which will then lease the assets back to Windstream on a long-term basis.

Talk America seeks authority to provide local exchange services, and intends to provide interexchange services to and from all points in the State of Idaho. Talk America does not intend to construct any new facilities in Idaho at this time. Its network "will consist of leased facilities provided by other carriers." Talk America intends to "provide services at the same rates and under the same terms and conditions" as they are currently provided by Windstream.

Exhibit A to the Application describes Talk America's management team's background and experience. Talk America's financial information was provided in Exhibit D and appears to be financially sound.

Talk America has agreed to comply with all applicable Idaho laws and Commission rules and regulations. The Company also indicated that it will not collect deposits and will therefore not need to establish an Escrow account per Commission Order No. 26665.

STAFF RECOMMENDATION

Staff believes that Talk America has fulfilled all the requirements for a Certificate of Public Convenience and Necessity. Staff recommends approval.

Respectfully submitted this

28th day of April 2015.

Deputy Attorney General

Technical Staff: Carolee Hall

i:umisc/comments/talt14.1djhch comments

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 28TH DAY OF APRIL 2015, SERVED THE FOREGOING **COMMENTS OF THE COMMISSION STAFF,** IN CASE NO. TAL-T-14-01, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

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